

FINANCE & ADMINISTRATION COMMITTEE MEETING

Monday, March 19th, 2018

MINUTES

Hampden Town Office

Attending:

*Councilor, Terry McAvoy Chair
Mayor Ivan McPike
Councilor Mark Cormier
Councilor David Ryder
Councilor Dennis Marble
Councilor Stephen Wilde*

*Town Manager Angus Jennings
Town Clerk Paula Scott
DPW Director Sean Currier
Public Safety Director Joe Rogers
Fire Lt. Dan Pugsley
Kyle Corbeil, PE, Woodard & Curran
Nate McLaughlin, PE, resident*

Chairman McAvoy called the meeting to order at 6:00 p.m.

1. Meeting Minutes

- a. March 5th, 2018** – *Motion by Councilor Marble seconded by Mayor McPike to approve the minutes. Approved 6-0.*

2. Review & Sign Warrants – *Warrants were reviewed and signed.*

3. Old Business

4. New Business

There was a motion by Mayor McPike seconded by Chairman McAvoy to add to the agenda discussion of the resignation of Town Councilor Greg Sirois, which was received earlier today, and the method of filling the vacant Council seat. The motion passed 6-0.

- aa. Discussion of the resignation of Town Councilor Greg Sirois, and the method of filling the vacant Council seat** – *Manager Jennings reported that Greg Sirois had submitted his resignation earlier this afternoon, effective immediately, and read into the record Mr. Sirois' emailed resignation. Manager Jennings said that the Town Charter sets out the procedure to fill the vacant seat and invited the Town Clerk to provide details. Town Clerk Paula Scott summarized the relevant Charter provisions and circulated a memo. She said that the Council had authorized a reduced time period for nominations, pursuant to statutory authority, in 2011 when a vacancy occurred. The draft timeline that she circulated provided for an 18-day nomination period, with nomination papers available on March 22*

and due back on April 9. There was discussion among the Councilors of allowing for a reduced nomination timeline or leaving the seat vacant until the next election in November. Councilors Marble and Ryder spoke in favor of a June election to provide a full 7-member Council. Councilor Wilde asked if someone elected in June would need to run again in November and the Town Clerk answered yes, the June seat would be through the remainder of Mr. Sirois' term, ending December 31, 2018. Chairman McAvoy expressed support for a June election. Mayor McPike asked when someone elected in June would be sworn in and the Town Clerk said immediately. Mayor McPike said the newly elected Councilor's first Council meeting would include voting on the FY19 budget [at the June 18 Council meeting], and the Town Clerk said yes. Chairman McAvoy said that the consensus seems to be a June election, and no one objected. Mayor McPike made a motion to authorize a June election with a reduced nomination period pursuant to statutory authority as spelled out in the Town Clerk's memo. Chairman McAvoy seconded the motion and it was approved 4-2 with Councilors Wilde and Cormier opposed.

- a. **Committee discussion and recommendation on timing and financing options for sewer capital projects** – Manager Jennings summarized the options available regarding which sewer projects to include on the June referendum ballot, and said the goal was to secure financing through the SRF program administered by the Maine Municipal Bond Bank, noting that this will require creation of a Fiscal Sustainability Plan (FSP). Councilor Marble asked if the FSP would be completed in-house or contracted out and Manager Jennings said it would be contracted out under the engineering contract with Woodard & Curran. Chairman McAvoy said he thought the Grist Mill bridge project costs would be included in the General Fund budget not the sewer budget, and Councilor Marble said that's part of what needs to be formally decided. Councilor Wilde supported this idea, noting that the whole Town benefits from the sewer system and the business development it allows. Mayor McPike also supported a cost share with property tax revenue supporting the bridge project. Councilor Marble agreed, noting that this cost results from a DOT project and not the sewer itself. Councilor Ryder referred to the "Alt. 1" scenario in the materials Manager Jennings had prepared, noting that if the bridge was paid from General Fund that the Sewer debt service would be about \$100,000 which would roughly equal the debt that was retired this year, and he further noted that sewage treatment costs lower than the budgeted amount should allow some funds to be set aside toward sewer reserve. Manager Jennings agreed. Councilor Marble said he didn't want to lose sight of the Main Road North project south of Western Ave. Mayor McPike

expressed support for extending financing to 30 years. Manager Jennings said that the ordinance as written would allow for that but that a 20 year term was typical for SRF funding, and consulting engineer Kyle Corbeil agreed. Chairman McAvoy asked about the pre-2000s when sewer debt service was split between the Sewer and General Fund 2/3 and 1/3. Manager Jennings said that was his understanding of how things had been done at that time, though he was not aware of any policy to that effect, and he noted that as a General Obligation bond that any borrowing would pledge the full faith and credit of the Town regardless whether the pledged revenue source was sewer fees or property taxes.

Councilor Ryder made a motion to recommend the Alt. 1 scenario (including three sewer projects but excluding the M.R.N project south of Western Ave.), and Councilor Cormier seconded. Councilor Ryder said that at some point we need to build up a sewer reserve so projects can be taken on without borrowing.

Councilor Wilde said he doesn't see the proposed cost split as equitable, noting that the whole town benefits from the sewer and that the sewer rates have increased dramatically. Councilor Ryder said that with the proposed cost split the debt service could be absorbed without increasing sewer rates. He said that the property taxpayers he's spoken with do not object to paying the bridge costs. Councilor Wilde said the Sewer Fund still needs to pay back the interfund transfers from the General Fund and Councilor Ryder said that doing so would still be part of the sewer budget. Chairman McAvoy agreed, noting that the FY19 sewer budget could still provide for \$100,000 pay-down of the interfund deficit.

A vote was taken and the motion passed 5-1 with Councilor Wilde opposed.

- b. Recommend Council authorization for the expenditure in an amount up to \$3,765 from Playgrounds Reserve account (3-768-00) for tennis court light poles** – referral from Services Committee – Motion by Councilor Marble seconded by Councilor Wilde to recommend Council authorization for the expenditure of up to \$3,765 from Playgrounds Reserve account for tennis court light poles. The motion passed 6-0.
- c. Recommend Council authorization for the expenditure of \$9,238 from Fire Camera Reserve account (3-747-00) for a thermal imaging camera** – requested by Chief Joseph Rogers – Motion by Mayor McPike seconded by Councilor Wilde to recommend Council authorization for the expenditure of \$9,238 from Fire Camera

Reserve account (3-768-00) for a thermal imaging camera. Councilor Wilde asked didn't we recently purchase one? Public Safety Director Rogers said no the current camera is almost 20 years old and was scheduled for replacement this year. The motion passed 6-0.

d. Committee recommendation to move the Infrastructure

Committee meeting to April 30th – *Motion by Councilor Marble seconded by Chairman McAvoy to support rescheduling the April infrastructure meeting to April 30th. The motion passed 6-0.*

e. Manager's report on Council Goals and Priorities – *Manager Jennings said work on this is ongoing and he would send around an update once complete.*

5. Public Comment – *None.*

6. Committee Member Comments – *Councilor Ryder asked if we can break down estimated debt service payments for the June ballot question so voters will know what would be borne by sewer rate payers and property taxpayers. Manager Jennings said yes, this will be part of the public information outreach. Councilor Ryder said voters will need to know how it will be paid, and Chairman McAvoy asked if this information could actually be in the voting booth. Town Clerk Scott said that the state now allows the Treasurer's Statement to be posted in the voting booths. Manager Jennings said he would work with Bond Counsel to prepare a Treasurer's Statement with this information, and that an update will be provided at next week's Infrastructure Committee meeting.*

7. Adjournment

There being no further business, the meeting was adjourned at 6:53 PM.

Respectfully submitted –
Angus Jennings, Town Manager